

--1. (Twice Amended) A telephone apparatus for connection to a computer network through a telephone network to [exchange data including audio signals] establish telephone calls via a server of the computer network, said telephone apparatus comprising:

a first telephone set including:

a first audio input/output means for converting input voice into a first output digital audio signal and for converting [an] a first input digital audio signal into output voice, and

a first CPU that executes processing for connecting said first telephone set to said server and processing for [selectively] compressing [or] said first output digital audio signal into first audio data and expanding said first audio data into said first input digital audio signal;

a second telephone set including:

a second audio input/output means for converting input voice into a second output digital audio signal and for converting [an] a second input digital audio signal into output voice, [and]

a second CPU that executes processing for connecting said [first] second telephone set to said server and processing for [selectively] compressing [or] said second output digital audio signal into second audio data and expanding said second audio data into said second input

digital audio signal[; and]

a modem for connecting to a single telephone line of  
said telephone network, and

connection control means connected between said  
[telephone network] modem and said first CPU and said  
second CPU to enable said first CPU to transmit and  
receive said first audio data via said server and said  
second CPU to transmit and receive said second audio data  
via said server.

--2. (Twice Amended) The telephone apparatus according to  
claim 1, wherein said first and second audio data [comprises]  
are formed as data packets [of data] including [audio] address  
data [to be communicated] for communicating with said first  
CPU of said first telephone set and said second CPU of said  
[first] second telephone set.

--3. (Twice Amended) The telephone apparatus according to  
claim 2, wherein said server assigns [different addresses] a  
first address to said first CPU of said first telephone set  
and a second address to said second CPU of said second  
telephone set as said address data.

--4. (Twice Amended) The telephone apparatus according to  
claim 3, wherein said data packets [of data] include said  
[different] first and second addresses in addition to said  
first and second audio data, and said connection control means